

## Supplemental analyses

As pointed out by an anonymous reviewer, our direct versus indirect speech materials sometimes differed in **the use of exclamations** (e.g. *She said: "My life has been amazing!..."*), such that 39 of our 90 direct speech items, but none of our 90 indirect speech items, employed emphasis-enhancing exclamation marks. Moreover, the direct and indirect speech conditions were not always parallel in terms of **syntactic coordination** (e.g. main clause followed by another main clause) versus subordination (e.g. main clause followed by a subordinate clause). Upon inspection of our stimuli, we found that the latter strictly applies to 11 items. Of the remaining 79 (syntactically more or less parallel) items, 43 contained direct and indirect speech sentences that can be regarded as fully equivalent in terms of syntactic structure.

We addressed these potential concerns as follows. There were 34 items in our set of stimuli ([http://www.psy.gla.ac.uk/~christop/JOCN\\_2011/Stimuli.pdf](http://www.psy.gla.ac.uk/~christop/JOCN_2011/Stimuli.pdf)) that neither contained exclamations in the direct speech condition, nor implied any substantial syntactic differences between direct and indirect speech (i.e. from the 43 items where direct and indirect speech shared the same syntactic structure, we excluded 9 items that contained exclamations). The item numbers of these 34 items can be found below. We re-analysed our data (using the same threshold criteria as before) considering only this restricted set of items, which naturally implied a considerable reduction in statistical power due to fewer data points per participant (one third of all the data available). Nevertheless, we found that the previously established effect (over the whole set of items) did not completely disappear when only those 34 items were considered: direct speech was still associated with more activation in the regions of interest than indirect speech. For individual Regions of Interest (ROIs), the mean between-condition difference amounted to  $0.162 \pm 0.077$  (SE) (2-tailed paired-sample  $t_{(15)} = 2.093$ ,  $p = 0.054$ ); for the group ROI, the between-condition difference was  $0.087 \pm 0.073$  (the latter was not significant, but still pointing in the right direction). We then ran analyses comparing these 34 "uncontroversial" items with the remaining 56 "controversial" ones, constituting the factor *item group* in a 2 (item group: controversial vs. uncontroversial)  $\times$  2 (speech: direct vs. indirect) within-subjects ANOVA. Consistent with our original t-test analyses over the whole set of items, we found a significant main effect of speech (individual ROIs:  $F(1,15) = 11.602$ ;  $p < .005$ ; group ROI:  $F(1,15) = 6.983$ ;  $p < .02$ ). However, the main effect of item group was far from significant ( $F$ -values  $< 1$ ), and so was the item group by speech interaction ( $F$ -values  $< 1.3$ ) – the latter would be expected to approach significance if exclamations and/or syntactic complexity differences within the 56 controversial items were mainly responsible for the speech effect over the whole set of items. Taken together, these analyses suggest that our main results cannot be reduced to differences in emphasis and/or syntactic structure between the direct and indirect speech conditions. Finally, the fact that we did not find any substantial differences in reading time per word or comprehension accuracy between the two conditions (see main text) may also be taken as an argument against syntactic complexity as a potential confound – at the very least, it suggests that potential syntactic complexity differences between direct and indirect speech were not processing-relevant.

**The 34 items chosen for re-analysis (item numbers):** 2, 3, 5, 7, 8, 10, 11, 16, 22, 25, 27, 28, 29, 30, 31, 32, 36, 38, 39, 40, 41, 48, 52, 53, 54, 55, 60, 66, 69, 70, 72, 78, 80, 88